



**COMPANY ANNOUNCEMENT
18 OCTOBER 2012**

**AUSTAL SECURES ORDER FOR MORE
WIND FARM SUPPORT VESSELS**

Reflecting its renewed competitiveness in the international market for small and medium sized commercial vessels, Austal has secured a new contract, valued at approximately £10.5 million, for the design and construction of three wind farm support vessels.

The 27 metre catamarans will be used by UK-based Turbine Transfers to support wind turbine installation and maintenance activities in European waters. Austal will build them at its shipyard in the Philippines over a period of approximately nine months, commencing in March 2013.

Commenting on the new contract Austal's Chief Executive Officer, Andrew Bellamy, said: "Austal decided to pursue the growing market for wind farm boats in mid-2010. Having spent the first year working hard to better understand the market's expectations we signed our first contract in July last year.

"During that initial 12 month marketing period we did a lot of research and design development and also confirmed that Austal needed to regionalise its manufacturing base in order to be successful. The company acquired a shipyard in the Philippines last November for that very reason.

"Now, as our contracts demonstrate, Austal has the vessel designs customers want and the right production cost base to successfully leverage that intellectual property. Our strategy has been so successful that the Philippines shipyard now employs over 220 staff, continues to grow and is currently fully utilised into the first quarter of next financial year," he added.

Mr Bellamy stressed that Austal can still take on further projects and provide prospective clients with high quality vessels in short time frames.

"The capacity and efficiency of our Philippines shipyard means we are still able to meet market demand for vessels delivered in the first half of 2014. We continue to aggressively pursue further projects for wind farm boats, ferries and other commercial vessels," he said.

This is Austal's third new project for Turbine Transfers in a little over 15 months. Three 21 metre catamarans were ordered in July 2011 and delivered to Europe earlier this year. Construction of a 27 metre TRI SWATH ordered in January 2012 is nearing completion at the Philippines shipyard.

Managing Director of Turbine Transfers, Captain Mark Meade, said his company was using Austal technology to support the next phase of wind farm development which would see a much larger number of turbines installed farther offshore and in other areas with rougher sea conditions.

"Our experience with Austal to date, including bringing our first three *Wind Express* catamarans into service, has demonstrated the benefits of Austal's vast experience and knowledge in all aspects of commercial vessel design, manufacture and support," Captain Meade said.

"I am pleased to once again work with Austal to develop a further three high-quality wind farm service vessels which will join our existing fleet which will soon have 30 boats. Our operational knowledge and Austal's skills will once again combine to deliver better boats to the industry."

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About Austal

Austal is a global defence prime contractor. The Company designs, constructs and maintains revolutionary platforms such as the Littoral Combat Ship (LCS) and the Joint High Speed Vessel (JHSV) for the United States Navy, as well as an extensive range of patrol and auxiliary vessels for defence forces and government agencies globally. Austal also designs, installs, integrates and maintains sophisticated communications, radar and command and control systems.

Austal benefits from its position as a world leader in the design, construction and support of customised, high performance aluminium vessels for the commercial high speed ferry market, an achievement gained over a period of nearly 25 years.

Austal's primary facilities comprise a combined defence and commercial shipyard in Henderson, Western Australia; a dedicated defence shipyard in Mobile, Alabama; and a dedicated commercial shipyard in Balamban, Philippines. The Company also provides vessel support services from its facilities in Australia, the United States, Asia, Europe, the Caribbean, and the Middle East. Systems development, sales and support are coordinated from Austal's facility in Canberra, Australia.

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